THE INFLUENCE OF FUNDING DECISIONS, INSTITUTIONAL OWNERSHIP, AND CURRENT RATIO ON COMPANY VALUE WITH RETURN ON ASSET AS A MODERATOR FOR ENERGY SECTOR COMPANIES LISTED ON THE INDONESIAN STOCK EXCHANGE

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Abstract

This research aims to analyze the influence of funding decisions, institutional ownership, and current ratio on company value, with return on assets (ROA) as a moderating variable, specifically in energy sector companies listed on the Indonesian Stock Exchange (IDX). The problem addressed is how these financial factors and ROA interact to affect the value of companies in the energy sector. The primary objectives of this study are to assess the impact of these variables on company value and to determine the moderating role of ROA. The research utilizes associative methods, with data collected from secondary sources, such as financial reports published by 52 energy sector companies on the IDX from 2021 to 2023. The data is analyzed using Moderated Regression Analysis (MRA), after conducting classical assumption tests including normality, multicollinearity, and heteroskedasticity. The findings indicate that funding decisions, institutional ownership, and current ratio significantly influence company value, and ROA moderates the relationship between these variables and company value. The results suggest that strategic decisions regarding funding, ownership structure, and liquidity management play crucial roles in enhancing company value, with ROA serving as a pivotal factor in strengthening these relationships.

Keywords: Funding Decisions, Institutional Ownership, Current Ratio, Company Value, ROA

INTRODUCTION

The capital market functions as an effective means of channeling funds to companies and productive activities. For companies, funds obtained from the capital market can be used to meet capital needs and support operations, thereby reducing dependence on debt financing, both domestic and foreign. Given the importance of the capital market for individuals, companies, and the economy, a country needs to have a healthy capital market. According to Menaung et al., (2022) The capital market is a market for various financial instruments that have a long term and can be traded, be it debt securities, equities, mutual funds, derivative instruments or other instruments.

The capital market serves as an effective means to channel funds to companies that need capital, either through stocks, bonds, or other instruments. In this context, the company's share price is very relevant because it reflects the value of the company as estimated by the market, which is influenced by various strategic and financial decisions of the company. This firm value, reflected in the share price, is a key indicator for investors in assessing the potential of the company and its impact on their investment decisions.

The energy sector is any form of business that provides energy, including exploration, extraction, transformation, and distribution, both renewable and non-renewable energy resources. Global products such as energy, oil, natural gas, and coal directly affect profit.The management of the energy sector in the long term must be integrated with the development of energy resources. Economic growth is highly dependent on the availability of sufficient energy, given that every process of producing goods or services always requires the support of an energy supply. The need for and availability of energy resources in Indonesia is quite high, making it one of the main factors in the development of many companies in this country. Based on data from the Indonesia Stock Exchange, there are currently 87 companies listed in the energy sector. This large number of energy companies certainly contributes to the performance of the Indonesia Stock Exchange, which can be seen from the movement of the Composite Stock Price Index (CSPI).Energy Sector Supports JCI, Stock Picks Today BMRI, ICBP and MIDI The Composite Stock Price Index (JCI) closed up 0.38% or up 27.48 points to 7,321.98 on Monday, July 22, 2024. According to the Bareksa analysis team, energy sector stocks, which rose 1.5%, were still supporting the JCI. www.bareksa.com. Share prices themselves are the

main indicator that investors pay attention to when making investment decisions, because share prices reflect the value of a company.

The value of the company is the perception of investors of the extent to which the company has succeeded in managing its resources during a certain period, which is reflected in the share price. A higher share price indicates a greater company value, while a lower share price reflects a lower company value, which means that the company is underperforming. The value of a company, which correlates with its stock price, is a way for investors to measure a company's level of success (Rachmawati & Suzan, 2024). Prosperity for shareholders will be achieved as the company's value increases. An investor in managing his finances will choose a company with a high company value as an option for investing funds (Cahyaningtyas & Avri, 2023).

In recent years, companies have experienced significant changes in the business environment. These changes have affected corporate financing decisions, which are one of the factors in determining the value of the Company. A financing decision is the process of deciding how to finance the company's operational activities and investments. A financing decision is an important step for a company because it involves obtaining funds for operational activities and to pay for the company's investment activities (Dewi & Suci, 2022). The right funding decision can help a company increase its value, while the wrong funding decision can cause a decrease in the company's value. Therefore, companies must consider factors that influence funding decisions, such as institutional ownership.

Institutional ownership is the ownership of company shares by financial institutions, such as banks and insurance companies. Institutional ownership can influence a company's financing decisions because financial institutions have greater resources and more extensive experience in managing investment portfolios. Institutional ownership has the ability to supervise, control and discipline managers who can influence the company's performance in helping to realize the company's goals (Irman et al., 2024). In addition, institutional ownership can also affect the value of the company because financial institutions can influence company policy and improve company performance. If a company has high institutional ownership, it tends to have a better ability to pay debts, which is reflected in the current ratio.

The current ratio is a ratio used to measure a company's ability to pay short-term debt. A high current ratio indicates that the company has a good ability to pay short-term debt, while a low current ratio indicates that the company has a poor ability to pay short-term debt. The higher the current ratio, the greater the company's ability to meet its short-term obligations (Nengsih, 2020). So, to avoid default on short-term debt, companies can also use profits from company assets which are reflected in the return on assets.

Return on assets is a ratio used to measure a company's performance in generating profit from its assets. A high return on assets indicates that the company has performed well in generating profit from its assets, while a low return on assets indicates that the company has performed poorly in generating profit from its assets. A positive return on assets indicates that from the total assets used to operate, the company is able to provide profit for the company. On the other hand, a negative return on assets indicates that the company is experiencing losses (Nurahma & Budiharjo, 2022).

Based on the background description, the researcher is interested in conducting research with the title "The Influence of Funding Decisions, Institutional Ownership, and Current Ratio on Company Value with Return on Assets as a Moderating Variable in Energy Sector Companies Listed on the Indonesia Stock Exchange".

REVIEW OF LITERATURE

Funding Decisions

Funding decisions refer to managerial choices regarding the composition of funding sources used by the company, be it through debt or equity (Himawan & Christiawan, 2016; Gany, 2015). Debt and equity are the two main options that companies can choose to finance their operations and investments. According to Syahputra et al. (2021), this decision is not only related to the search for funds, but also very important in determining the optimal funding mix. This funding mix has a significant impact on company performance and risk exposure, where companies that rely more on debt have greater payment obligations.

Institutional Ownership

Institutional ownership refers to the proportion of company shares owned by institutions such as banks, insurance companies, governments, or investment companies

(Darmayanti et al., 2018; Andini et al., 2021). This ownership structure is believed to strengthen the company's monitoring and control mechanism, which in turn has the potential to improve company performance and value through better management and more transparent decision making.

Current Ratio

The current ratio measures the company's ability to meet short-term obligations using current assets (Harahap, 2018; Kasmir, 2018; Hery, 2018). A high ratio indicates strong liquidity, which can increase investor confidence and reduce the risk of default. This ratio is important in decision-making because it reflects the financial health of the company, especially in terms of its ability to meet liabilities due in the short term.

Company Value

Firm value reflects the market price determined by operational activities and public perception of the company (Puspaningrum, 2017; Gunardi et al., 2022; Harmono, 2017). Puspaningrum (2017) emphasizes that an increase in the company's share price will increase the value of the company and enrich shareholders. Gunardi et al. (2022) added that firm value also reflects public confidence in the long-term operations and strategic integrity of the company, which plays an important role in investment decisions. Harmono (2017) relates firm value to the performance reflected in the stock price formed by the market mechanism. Therefore, firm value is not only determined by the stock price, but also by the trust built through transparent operational activities and solid strategies.

Return On Asset

Return on Assets (ROA) is a profitability ratio that measures how efficiently the company utilizes its assets to generate net income (Yanda, 2018; Hery, 2020; Raiyan et al., 2020). A higher ROA indicates better asset management efficiency, where the company is able to generate more net profit from each unit of assets owned. Conversely, a low ROA indicates potential inefficiencies in the use of assets, which could indicate problems in management or operations. In the context of the study, ROA serves as a moderator linking financial decisions and firm performance, as this ratio illustrates how decisions taken can affect the overall profitability of the firm.

RESEARCH METHOD

This study is an associative study. According to Sugiyono (2019), Associative Research is a research title that aims to describe and test the relationship hypothesis of two or more variables. This associative research is used by researchers to determine and test the effect of Funding Decisions, Institutional Ownership, and Current Ratio on Company Value with Return on Assets as moderation.

The data collection technique used in this study is documentation with secondary data. According to Sugiyono (2019), secondary data is a data source that does not directly provide data to data collectors, for example through other people or through documents. In this study, the researcher took data from written documents related to the research, namely from books, notes, and financial reports published on the Indonesia Stock Exchange to obtain financial reports on the energy sector on the IDX in 2021, 2022, and 2023.

This study uses a population of 87 energy sector companies listed on the Indonesia Stock Exchange (IDX) for the period 2021-2023. The sample of this study consisted of 52 companies selected using purposive sampling method. Purposive sampling was chosen because it allows researchers to select samples based on certain criteria that are relevant to the research objectives. The inclusion criteria used in this study are energy sector companies listed on the IDX and have published financial reports consecutively during the study period, namely 2021 to 2023. Companies that did not meet these criteria, such as those that were not consistently listed or did not publish financial reports, were excluded from the research sample. The use of purposive sampling is considered appropriate because researchers want to ensure that the samples taken are relevant and can provide an accurate description of the relationship between the variables under study.

The measurement scales are Funding Decisions (measured by Debt to Equity Ratio), Institutional Ownership (by the number of shares owned by institutions), Current Ratio (the company's ability to pay short-term obligations), Company Value (using the Price Earning Ratio), and Return on Assets (ROA).

The data analysis process was carried out in several steps. First, a classical assumption test is conducted, which includes a normality test to ensure data distribution, a multicollinearity test to examine the relationship between independent variables, a

heteroscedasticity test to test for inequality of variance in residuals, an autocorrelation test to evaluate residual correlation, and a linearity test to ensure a linear relationship between the independent and dependent variables. After that, Moderated Regression Analysis (MRA) is conducted to test the effect of independent variables such as funding decisions, institutional ownership, and current ratio on firm value, with ROA as a moderating variable. The analysis is continued with hypothesis testing, which uses the F test to test the simultaneous effect of all independent variables on firm value and the t test to test the partial effect of each independent variable. All data processing is done using SPSS, which is used to calculate regression, F test, t test, and MRA to test the effect of independent variables on firm value and the role of ROA as a moderator.

RESULTS AND DISCUSSION

Classic Assumption Test

Normality Test

The Normality Test serves to see whether the data in a regression model, disturbance or residual variables have a normal distribution. The regression model is said to be good if the data is normally distributed. In this test, the One Sample Kolmogrov Smirnov Test method is used. The basis for decision making is: if the significant value is > 0.05, the data is normally distributed, whereas if the significant value is < 0.05, the data is not normally distributed. The following is table 1 of the normality test results for equation 1:

Table 1
Normality Test for Equation 1

Test	Value
N (Sample)	156
T Statistic	0.058
Asymp.Sig.(2-tailed)	.200[c]

Source: Processed Data, 2025

Table 1 shows that the value of Asymp. Sig (2-tailed) 0.200 > 0.05 indicates that the data is normally distributed. The following is a table 2 of the normality test results for equation 2:

Table 2
Normality Test for Equation 2

Test	Value

N (Sample)	156
(Kolmogorov-Smirnov Z)	0.065
Asymp.Sig.(2-tailed)	.200[c]

Source: Processed Data, 2025

Table 2 shows that the value of Asymp. Sig (2-tailed) 0.200 > 0.05 indicates that the data is normally distributed.

Multicollinearity Test

The multicollinearity test is used to determine whether or not there is a correlation between independent variables in the regression model. A regression model is good if there is no correlation between the independent variables. The multicollinearity test is carried out by analyzing the correlation between variables by calculating the tolerance value and the Variance Inflation Factor (VIF) with the basis of decision making if the tolerance value is > 0.10 and VIF is < 10, then there is no multicollinearity. The following is table 3 of the multicollinearity test results for equation 1:

Table 3
Multicollinearity Test Results Equation 1

Variable	Tolerance	VIF
Funding Decisions	.979	1.021
Institutional Ownership	.975	1.026
Current Ratio	.959	1.043
Dependent Variable: Company Value		

Source: Processed Data, 2025

Table 3 shows that there is no multicollinearity between the independent variables in the regression model. This can be seen from the tolerance values of the Funding Decisions, Institutional Ownership, Current Ratio > 0.10 variables and VIF values < 10. The following is table 4 of the multicollinearity test results for equation 2:

Table 4
Multicollinearity Test Results Equation 2

Variable	Tolerance	VIF
Funding Decisions	.975	1.026
Institutional Ownership	.965	1.036
Current Ratio	.959	1.043
ROA	.987	1.014
Dependent Variable: Company Value		

Source: Processed Data, 2025

Table 4 shows that there is no multicollinearity between the independent variables in the regression model. This can be seen from the tolerance values of the Funding Decisions, Institutional Ownership, Current Ratio and Return On Asset variables > 0.10 and VIF values < 10.

Autocorrelation Test

The Autocorrelation Test is used to test whether in a linear regression model there is a correlation between usage errors in period t and disturbance errors in period t-1. A good regression model should not have autocorrelation. The method used is the Durbin-Watson. Decision making on the Durbin-Watson:

a. DU < DW < 4-DU, meaning that there is no autocorrelation.

b. DW < DL or DW > 4-DL, meaning that there is autocorrelation.

c. DL < DW < DU or 4-DU < 4-DL, meaning that there is no certainty or conclusion.

The following is table 5 of the Autocorrelation test results for equation 1:

Tabel 5
Autocorrelation Test Results Equation 1

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.529[a]	.552	.534	1.58050	1.846

a. Predictors: (Constant), Current Ratio, Institutional Ownership, Funding Decisions
b. Dependent Variable: Company Value
Source: Processed Data, 2025

In table 5, to determine the presence or absence of autocorrelation, use the Durbin-Watson test value of 1.846. This value is compared with the Durbin-Watson alpha 5% table value with the number of observations n 156 and the number of independent variables 3 (k = 3), then the Durbin-Watson table value DU = 1.7776 is obtained. The autocorrelation test results with the criteria DU < DW < 4-DU are 1.7776 < 1.846 < 4-1.7776 = 2.2224, so there is no autocorrelation in the data.

The following is table 6 of the Autocorrelation test results for equation 2:

Tabel 6
Autocorrelation Test Results Equation 2

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.717[a]	.515	.501	.90061	1.865

a. Predictors: (Constant), ROA, Current Ratio, Institutional Ownership, Funding Decisions
b. Dependent Variable: Company Value
Source: Processed Data, 2025

In table 6, to determine the presence or absence of autocorrelation, use the Durbin-Watson test value of 1.865. This value is compared with the Durbin-Watson alpha 5% table value with the number of observations n 156 and the number of independent variables 3 (k = 3), then the Durbin-Watson table value DU = 1.7776 is obtained. The result of the autocorrelation test with the criteria DU < DW < 4-DU is 1.7776 < 1.865 < 4-1.7776 = 2.2224, so there is no autocorrelation in the data.

Heteroscedasticity Test

The Heteroscedasticity Test is used to test whether there is inequality in the variance of the residuals from one observation to another in the regression model. A regression model is said to be good if there is no heteroscedasticity or if there is homoscedasticity. The test used in the study is the Glejser test. Based on the decision making, if the significant value is > 0.05, there is no heteroscedasticity. The following is a table 7 of the results of the heteroscedasticity test for equation 1:

Tabel 7
Heteroskedasticity Test Results Equation 1

Variable	T	Sig
Funding Decisions	.127	.899
Institutional Ownership	-.618	.537
Current Ratio	1.151	.252

Dependent Variable: Company Value

Source: Processed Data, 2025

Table 7 shows that the heteroscedasticity test results using the Glejser test in the regression model show that there is no heteroscedasticity. This can be seen from the sig value of the Funding Decision, Institutional Ownership, and Current Ratio > 0.05. The following is a table 8 of the heteroscedasticity test results for equation 2:

Tabel 8
Heteroskedasticity Test Results Equation 2

Variable	T	Sig
Funding Decisions	2.071	.040
Institutional Ownership	-.531	.596
Current Ratio	-1.346	.180
ROA	-.381	.704

Dependent Variable: Company Value
Source: Processed Data, 2025

Table 8 shows that the p-value for the Funding Decision variable is 0.040 (< 0.05), indicating the presence of heteroscedasticity for this variable. However, the other variables do not show any signs of heteroscedasticity. This suggests a potential issue with non-constant variance for the Funding Decision, which may require correction or robustness checks.

Linearity

The linearity test is used to determine whether the model specification used has a significant linear relationship or not. The test performed is the Lagrange Multiplier test. The results of the Linearity test calculation of Equation Regression 1 and 2 can be seen in tables 9 and 10 below:

Tabel 9
Result of Linearity Test of Equation 1

Variable	Linierity Sig	Description
Company Value * Funding Decisions	0,598	Linier
Company Value * Institutional Ownership	0,599	
Company Value * Current Ratio	0,121	

Source: Processed Data, 2025

From table 9 the results of the linearity test for equation 1 of the first regression show the sig value. Deviation from Linearity of 0.598 and > 0.05. So it can be concluded that there is a linear relationship between Funding Decisions and Firm Value. The second table shows the sig value. Deviation from Linearity value of 0.599 and > 0.05. So it can be concluded that there is a linear relationship between Institutional Ownership and Firm Value. The third table shows the sig value. Deviation from Linearity of 0.121 and > 0.05. So it can be concluded that there is a linear relationship between Current Ratio and Company Value.

The following is table 10 of the linearity test results of equation 2:

Tabel 10
Result of Linearity Test of Equation 2

Variable	Linierity Sig	Description
Company Value * Funding Decision_Z	0,655	Linier
Company Value * Institutional Ownership_Z	0,662	
Company Value * Current Ratio_Z	0,003	Not Linier
Company Value * ROA (Z)	0,511	Linier

Source: Processed Data, 2025

From table 10, the results of the linearity test of equation 2 show a sig. value. Deviation from Linearity Funding Decisions of 0.655, Institutional Ownership of 0.662, ROA of 0.511, which means > 0.05. So it can be concluded that there is a linear relationship

between Funding Decisions, Institutional Ownership, and the moderation of Return On Asset on Company Value. Meanwhile, the sig. value of Deviation from Linearity on the Current Ratio is 0.003 and <0.05. So it can be concluded that there is no linear relationship between the Current Ratio and Company Value.

Statistical Analysis

Regression Analysis with Moderated Regression Analysis (MRA)

Regression analysis with Moderated Regression Analysis (MRA) is a data analysis technique used to maintain sample integrity and provide a basis for controlling the influence of moderator variables. The following is table 11 of the regression analysis test results with moderated regression analysis equation 1:

Tabel 11
Results of Regression Analysis with Moderated Regression Analysis (MRA)

Variabel	Coefficients	T Statistic	Nilai Signifikansi
(Constant)	3.264	1.675	.041
Funding Decisions	-.171	-2.406	.017
Institutional Ownership	.177	.396	.001
Current Ratio	-.192	-1.702	.034
Dependent Variable: Company Value			

Source: Processed Data, 2025

Based on table 11, it shows the multiple linear regression equation, namely

Equation 1:

$$Z = 3{,}264 - 0{,}171X1 + 0{,}177X2 - 0{,}192X3$$

From the results of the path analysis test of equation 1, it can be explained as follows:

a. The constant value is 3,264, which means that if the value of the Funding Decision, Institutional Ownership, and Current Ratio is 0 (zero), then the value of the Firm Value is 3,264.
b. The variable value of the Funding Decision is -0,171 and has a negative value, meaning that if there is an increase in the Funding Decision variable by one unit, the value of the Company Value will decrease by 0,171.
c. The value of the Institutional Ownership variable is 0,177 and has a positive value, meaning that if there is an increase in the Institutional Ownership variable by one unit, the value of the Company Value will increase by 0,177.

d. The value of the Current Ratio variable is -0,192 and has a negative value, meaning that if there is an increase in the Current Ratio variable by one unit, the value of the company value will increase by 0,192.

The following is the regression analysis test result with moderated regression analysis equation 2:

Tabel 12
Results of Regression Analysis with Moderated Regression Analysis (MRA)

Variabel	Coefficients	T Statistic	Nilai Signifikansi
(Constant)	3.351	1.776	.038
Funding Decision X1	-.166	-2.543	.012
Institutional Ownership X2	.385	.863	.004
Current Ratio X3	-.177	-1.699	.021
ROA (Z)	-2.127	-2.452	.015
Funding Decision _Z	.019	.722	.017
Institutional Ownership_Z	.280	1.337	.018
Current Ratio_Z	.049	.976	.033
Dependent Variable: Company Value			

Source: Processed Data, 2025

Based on table 12, the multiple linear regression equation is as follows:

Equation 2:

$$\mathbf{Y = 3,351 – 0,166X1 + 0,385X2 - 0,177X3 – 2,127Z + 0,019X1*Z + 0,280X2*Z + 0,049X3*Z}$$

From the results of the path analysis test of regression equation 2, it can be explained as follows:

a. The constant value is 3,351, which states that if the value of the Funding Decision, Institutional Ownership, and Current Ratio with Return On Asset as moderation variables is equal to 0 (zero), then the value of the Firm Value is 3,351.
b. The value of the Funding Decision variable is -0,166 and has a negative value, meaning that if there is an increase in the Funding Decision variable by one unit, the value of the Company Value variable will decrease by 0,166.
c. The value of the Institutional Ownership variable is 0,385 and has a positive value, meaning that if there is an increase in the Institutional Ownership variable by one unit, the value of the Company Value variable will increase by 0,385.

d. The value of the Current Ratio variable is -0,177 and has a negative value, meaning that if there is an increase in the Current Ratio variable by one unit, the value of the Company Value variable will decrease by 0,177.

e. The value of the Return On Asset variable is -2,127 and has a negative value, meaning that if there is an increase in the Return On Asset variable by one unit, the value of the Company Value variable will decrease by 2,127.

f. The value of the Funding Decisions variable with Return On Asset as a moderating variable is 0,019 and has a positive value, meaning that if there is an increase in the Funding Decisions variable with Return On Asset as a moderating variable by one unit, the value of the Company Value variable will increase by 0,019.

g. The value of the Institutional Ownership variable with Return On Asset as a moderating variable is 0,280 and has a positive value, meaning that if there is an increase in the Institutional Ownership variable with Return On Asset as a moderating variable of one unit, the value of the Company Value variable will increase by 0,280.

h. The value of the Current Ratio variable with Return On Asset as a moderating variable is 0,049 and has a positive value, meaning that if there is an increase in the Current Ratio variable with Return On Asset as a moderating variable by one unit, the value of the Company Value variable will increase by 0,049.

Correlation Coefficient Analysis (R)

Correlation coefficient analysis is used to determine the direction and strength of the relationship between two or more variables. The direction is expressed in the form of a positive and negative relationship, while the strength or weakness of the relationship is expressed in the magnitude of the correlation coefficient. The following table 13 is the result of the correlation coefficient analysis test (R Test) of equation 1:

Table 13
Correlation Coefficient Test Results (R) Equation 1

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.529[a]	.552	.534	1.58050
Predictors: (Constant), Current Ratio, Institutional Ownership, Funding Decisions				
Dependent Variable: Company Value				

Source: Processed Data, 2025

Table 13 shows that the result of the correlation coefficient analysis or R-value of the Funding Decisions, Institutional Ownership, and Current Ratio variables on the Value of the Company is 0.529 and is in the range of 0.40 - 0.599. This shows that the Funding Decisions, Institutional Ownership, and Current Ratio variables have a sufficient relationship with the Value of the Company variable.

The following is a table 14 of the results of the correlation coefficient analysis test (R Test) of equation 2

Table 14
Correlation Coefficient Test Results (R) Equation 2

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.727[a]	.528	.506	.89667
Predictors: (Constant), ROA, Current Ratio, Institutional Ownership, Funding Decisions				
Dependent Variable: Company Value				

Source: Processed Data, 2025

Table 14 shows that the result of the analysis of the correlation coefficient or R-value of the Funding Decisions, Institutional Ownership, and Current Ratio variables with Return On Asset as a moderating variable on Firm Value is 0.727 and is in the range of 0.60 - 0.799. This shows that the variables Funding Decisions, Institutional Ownership, and Current Ratio with Return On Asset as moderating variables have a strong relationship with the Company Value variable.

Analysis of the Coefficient of Determination R^2

Table 13 shows that the R square value is 0.552, which means 55.2%. So this value shows that the influence on firm value that can be explained by the variables funding decisions, institutional ownership, and current ratio is 55.2%, while the remaining 44.8% is explained by other variables that are not included in the research variables.

Table 14 shows that the R-squared value is 0.528, which means 52.8%. This shows that the influence on firm value that can be explained by the variables funding decisions, institutional ownership, and current ratio with return on assets as a moderating variable is 52.8%, while the remaining 47.2% is explained by other variables that are not included in the research variables.

Statistical Test F

Simultaneous Test (F Test) is used to determine the level of significance of the influence of independent variables together (simultaneously) on the dependent variable. Based on the decision making, if the sig. value is > 0.05, then H0 is accepted and Ha is rejected. On the contrary, if the sig. value is ≤ 0.05, then H0 is rejected and Ha is accepted. The following table 15 is the result of the simultaneous test (F test) of equation 1:

Table 15
Statistical Test Results F Equation 1

Model	Sum of Squares	Mean Square	F	Significance
Regression	20.961	6.987	2.797	.002[b]
Residual	379.694	2.498		

Dependent Variable: Company Value
Predictors: (Constant), Current Ratio, Institutional Ownership, Funding Decisions

Source: Processed Data, 2025

In table 15, it can be seen that the significant value for the simultaneous influence of Funding Decisions, Institutional Ownership, and Current Ratio on Firm Value is 0.002 < 0.05. So it can be concluded that Funding Decisions, Institutional Ownership, and Current Ratio have a significant influence on Company Value.

The results of the simultaneous effect test (F-test) of equation 2 can be seen in Table 16 below:

Table 16
Statistical Test Results F Equation 2

Model	Sum of Squares	Mean Square	F	Significance
Regression	131.554	18.793	23.375	.000[b]
Residual	117.386	.804		

Dependent Variable: Company Value
Predictors: (Constant), ROA, Current Ratio, Institutional Ownership, Funding Decisions

Source: Processed Data, 2025

In table 16, it can be seen that the significant value for the influence of Funding Decisions, Institutional Ownership, and Current Ratio with Return On Asset as a moderating variable on the simultaneous Value is 0.000 < 0.05. So it can be concluded that Funding Decisions, Institutional Ownership, and Current Ratio with Return On Asset as moderating variables simultaneously have an influence on Company Value.

Statistical Test T

Partial Test (t Test) is used to test the significance of the relationship between the independent variable and the dependent variable individually (partially). Based on the

decision making, if the sig. value is > 0.05, then H0 is accepted and Ha is rejected. On the contrary, if the sig. value is ≤ 0.05, then H0 is rejected and Ha is accepted. The following is table 17 of the partial test results (t test) of equation 1:

Tabel 17
Statistical Test Results T Equation 1

Research Variable	Coefficients	T Statistic	Significance Value
(Constant)	3.264	1.675	.000
Funding Decision X1	-.171	-2.406	.001
Institutional Ownership X2	.177	.396	.001
Current Ratio X3	-.192	-1.702	.002
Dependent Variable: Company Value			

Source: Processed Data, 2025

In table 17 it can be seen that:

a. The significant value of the Funding Decision variable on the Company Value is 0001 < 0.05. So it can be concluded that the Funding Decision partially affects the company value.
b. The significant value of the Institutional Ownership variable on the Company Value is 0.001 < 0.05. So it can be concluded that Institutional Ownership partially affects the Company Value.
c. The significant value of the Current Ratio variable on the Company Value is 0.002 < 0.05. So it can be concluded that the Current Ratio partially affects the Company Value.

The results of the partial influence test (T test) of equation 2 can be seen in table 18 below:

Tabel 18
Statistical Test Results T Equation 2

Research Variable	Coefficients	T Statistic	Significance Value
(Constant)	3.351	1.776	.000
Funding Decision_X1	-.166	-2.543	.003
Institutional Ownership_X2	.385	.863	.000
Current Ratio_X3	-.177	-1.699	.002
ROA (Z)	-2.127	-2.452	.003
Funding Decision _Z	.019	.722	.000
Institutional Ownership _Z	.280	1.337	.002
Current Ratio _Z	.049	.976	.001
Dependent Variable: Company Value			

Source: Processed Data, 2025

In table 18 it can be seen that:

a. The significant value of the Funding Decision variable is 0.003 < 0.05. So that Ha is accepted and H0 is rejected, meaning that the Funding Decision partially has a relationship with the Company Value.
b. The significant value of the Institutional Ownership variable is 0.000 < 0.05. So it can be concluded that Ha is accepted and H0 is rejected, meaning that Institutional Ownership partially has a relationship Company Value.
c. The significant value of the Current Ratio variable is 0.002 <0.05. So it can be concluded that Ha is accepted and H0 is rejected, meaning that the Current Ratio partially has a relationship with Company Value.
d. The significant value for the moderation variable between Funding Decisions and Return On Asset is 0.000 < 0.05. So it can be concluded that Ha is accepted and H0 is rejected, meaning that Return On Asset moderates the effect of Funding Decisions on Company Value.
e. The significant value for the moderation variable between Institutional Ownership and Return On Asset is 0.002 < 0.05. So it can be concluded that Ha is accepted and H0 is rejected, meaning that Return On Asset moderates the effect of Institutional Ownership on Company Value.
f. The significance value for the moderation variable between Current Ratio and Return On Asset is 0.001 < 0.05. So it can be concluded that Ha is accepted and H0 is rejected, meaning that Return On Asset moderates the effect of Current Ratio on Company Value.

CONCLUSION

Correlation Coefficient Test (R Test) in equation 1 shows that the value of the variables Funding Decisions, Institutional Ownership, and Current Ratio on Firm Value is 0.529. This shows that they have a moderate relationship with Company Value. Meanwhile, in equation 2, the value of the variables Funding Decisions, Institutional Ownership, and Current Ratio on Return On Asset as a moderating variable on Firm Value is 0.727. Shows that it has a strong relationship with the company's value. The coefficient of determination test (R^2) in equation 1 shows that the R square value is 0.552, which means that it has an

effect on the company's value that can be explained by the variables of financing decisions, institutional ownership, and current ratio by 55.2%, while the remaining 44.8% is explained by other variables that are not included in the research variables. Meanwhile, equation 2 shows that the R square value is 0.528, which means that it has an effect on the company value explained by the variables of financing decisions, institutional ownership, and current ratio with return on assets as a moderating variable of 52.8%, while the remaining 47.2% is explained by other variables that are not included in the research variables.

Based on the Moderated Regression Analysis, it can be concluded that the Return on Assets variable is able to moderate the effect of the Funding Decisions, Institutional Ownership, and Current Ratio variables on Company Value. Based on the simultaneous test (F test), equation 1 states that the variables Funding Decisions, Institutional Ownership, and Current Ratio simultaneously have an effect on Company Value. For equation 2, it is stated that the variables Funding Decisions, Institutional Ownership, and Current Ratio with Return On Asset as a moderating variable simultaneously have an effect on Company Value. Based on the partial test (T test), equation 1 states that the variables Funding Decisions, Institutional Ownership, and Current Ratio partially affect the Value of the Company. For equation 2, it states that the variables Funding Decisions, Institutional Ownership, and Current Ratio with Return On Asset as a moderating variable partially affect the Value of the Company.

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